NOMINATION OF PETER E. VOSS

HEARING

BEFORE THE

COMMITTEE ON GOVERNMENTAL AFFAIRS UNITED STATES SENATE

NINETY-SEVENTH CONGRESS

SECOND SESSION

ON

NOMINATION OF PETER E. VOSS TO BE A MEMBER OF THE BOARD OF GOVERNORS, U.S. POSTAL SERVICE

JULY 21, 1982

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NOMINATION OF PETER E. VOSS

WEDNESDAY, JULY 21, 1982

U.S. SENATE,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, D.C.

The committee met, at 2:05 p.m., in room 3302, Dirksen Senate Office Building, Hon. William V. Roth, Jr. (chairman of the committee) presiding.

Present: Senator Roth.

Chairman ROTH. The committee will be in order.

This afternoon we will hold a hearing to consider the nomination of Peter E. Voss to serve as a member of the Board of Governors of the U.S. Postal Service.

First, I would like to welcome Representative Ralph S. Regula of the 16th District of Ohio to the committee this afternoon. I understand Ralph is here to introduce the nominee.

TESTIMONY OF HON. RALPH S. REGULA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Representative REGULA. Thank you, Senator, and I appreciate the chance to get on quickly since we do have a vote pending in the House.

I am pleased to be here today and I am honored that Peter Voss has asked me that I introduce him to this distinguished committee.

I have known Mr. Voss for many years and I can only say he is a man of absolute integrity and moral purpose. He was a successful businessman and he always devoted much of his energy to public service. He is the kind of individual that the President talks about when he says we need volunteers to make things happen in our communities.

Mr. Voss has done that in many many different ways in the 16th District community. I think personally he is an outstanding nominee for the Board of Governors for the Postal Service. His background uniquely equips him to serve in a management responsibility of an organization that has not only a management, but a political dimension.

Certainly as you understand, Senator, annual reductions in the postal subsidies by Congress makes it even more essential we have superb management of the Postal Service. Peter Voss has demonstrated in a distinguished public and private career the qualities needed to meet the challenge that confronts the Board of Governors of the Postal Service.

I could mention many other things about his broad range of experience, in both the public and private sectors, but I think that is in the record and I am quite sure you have it before you.

So I simply would say again that I speak not only for myself, but the people in the 16th District community that we would be proud to have Mr. Voss representing our area as a member of this Board and as a member of the Federal Government organization.

Chairman ROTH. Thank you very much for your kind words of introduction. I do know you have a vote back on the House side, so please feel free to leave at your convenience.

Representative REGULA. Thank you, Mr. Chairman.

OPENING STATEMENT OF SENATOR ROTH

Chairman ROTH. Mr. Voss, I would like to welcome you to the committee and thank you for your cooperation with both the members of the committee and the staff throughout all stages of the confirmation process.

As you well know, the Post Office is certainly one of the most important segments of the Federal Government; millions of Americans depend upon its efficient operation. It is essential that the decisions affecting this vital public service be made by individuals who are both experienced and able.

To help the committee evaluate Mr. Voss's credentials, to serve in this capacity, the committee has received information from the Office of Government Ethics and FBI. And the nominee has filed responses to a biographical and financial questionnaire; and answered a set of prehearing questions. Without objection this information will be made part of the record.

[The information referred to follows:]

BIOGRAPHICAL AND FINANCIAL INFORMATION REQUESTED OF NOMINEES

A. BIOGRAPHICAL INFORMATION

Question 1. Name.

Answer. Frederick Earl Voss, aka Earl Frederick Voss, aka Peter Murray Voss. Legally changed to Peter Earl Voss on March 29, 1954, Docket No. 33, State of Ohio, Stark County.

Question 2. Address.

Answer. Residence—2935 Woodcliffe N. W., Canton, Ohio 44718. Business—948 High Avenue S. W., Canton, Ohio 44707.

Question 3. Date and Place of Birth.

Answer. September 13, 1930, Canton, Ohio.

Question 4. Marital Status.

Answer. Married Lynn Dowlin Voss, nee Nancy Lynn Dowlin on March 25, 1961.

Question 5. Names and Ages of Children.

Answer. Bristol Lane Voss, Born 12/25/61, Age 20; Peter Dowlin Voss, Born 6/18/63, Age 18; Kelsey Lynn Voss, Born 8/8/69, Age 12.

Question 6. Education: List institutions, dates attended, degree received and date degree granted.

Answer. Staunton Military Academy, 1942 to 1948; Kenyon College, 1948 to 1949; Kent State University, 1950 to 1954 (Academic Quarter Prior to USCG, Academic Quarter After USCG).

Question 7. Employment Record: List all jobs held since college, including the title and description of job, name of employer, location of work and dates of inclusive employment.

Answer. 1951 to 1954, United States Coast Guard, Portland, Maine and Boston, Massachusetts. Serial Number 280-804. 1954 to Present, Northeastern, Inc., Canton, Ohio, Chief Executive and President.

Question 8. Government Experience: List any experience in, or association with Federal, State or local government, including any advisory, consultative, honorary or other part-time or positions.

Answer. A. 1970 White House Conference on Children and Youth, Executive Director and Chairman of National Finance Committee.

B. 1970 United Nations Industrial Development Organization, Business Consultant to Brazilian Government.

C. 1971 U.S. Department of Commerce: Part of Special six-man mission to Yugoslavia and Poland to analyze two way trade possibilities.

D. 1972 Member of Presidential Surrogate Advance Team.

E. 1971/73 Member of Regional Export Expansion Council (Appointed by the Secretary of Commerce).

F. 1972 Member of Inaugural Committee (1972/1973).

G. 1974 Republican Candidate for U.S. Senate.

H. 1976 Chairman of Reagan for President Committee on Ohio and Chairman of Financial Committee.

I. 1979/80 Member of National Advisory Committee of Citizens for the Republic.

J. 1980 Member of National Steering Committee/Reagan for President.

Question 9. Business relationships: List all positions held as an officer, director, trustee, partner, proprietor, agent, representative or consultant of any corporation, company, firm, partnership or other business enterprise, educational or other institution.

Answer. A. Northeastern, Incorporated, Chief Executive Officer and President.

B. Decision Systems, Inc., President.

C. Camping and Education Foundation, Trustee.

D. Canton Club, Inc., Director and Past President.

Question 10. Memberships: List all memberships and offices held in professional, fraternal, scholarly, civic, charitable and other organizations.

Answer. A. World Business Council, New York.

B. Chief Executives Organization, Florida.

C. Camping and Education Foundation, Trustee.

D. Canton Country Day School, An Original Founder and Trustee.

E. Young President's Organization—Director, Chapter Chairman, Membership Chairman, Leadership Activities Chairman, Area Conference Chairman.

Question 11. Political Affiliations and Activities: List all offices with a political party or any public office for which you have been a candidate. List all memberships, and offices held in or financial contributions and services rendered to all political parties or election committees during the last ten years.

Answer. A. 1. Member, Presidential Surrogate Advance Team, 1972.

2. Member, Inaugural Committee, 1972/73.

3. Candidate for U.S. Senate (Republican), 1974.

4. Chairman, Reagan for President Committee, Ohio, 1976/1980.

5. Chairman, Financial Committee, Reagan for President, Ohio, 1976.

6. Director, Unger for Stark County Prosecutor Committee, 1975.

7. Director, Farmer for Judge Campaign, 1977.

8. Member, National Advisory Committee, Citizens for the Republic, 1979/80.

9. Member, National Steering Committee, Reagan for President, 1980.

10. Delegate-at-Large, Ohio, Republican National Convention, 1980.

B. Most of my contributions to campaigns have been in the form of volunteer time to the individual candidate or nominee; Planner/Strategist, Director/Manager, Funding Director or in general advising capacity.

Reagan for President, 1976—$1,000.00, 1980—$500.00. James Unger for Prosecutor—$100.00. Gus Zielasko for Judge—$50.00. William Ress for Senate—$50.00. Committee for the Republic—$100.00 for each of the last three years.

Question 12. Honors and Awards: List all scholarships, fellowships, honorary degrees, honorary society memberships and any other special recognitions for outstanding service or achievements.

Answer. Recognized by the National Industrial Distributor's Association (NIDA) for work in development of Minimal Inventory Plan (MIP). This plan was a system to lower the cost of carrying inventory on the part of the manufacturer customer and to provide an orderly and economic distribution of products through a supplier from order point to actual delivery.

Question 13. Published writings: List the titles, publishers, and dates of books, articles, reports or other published materials you have written.

Answer. [Retained in committee files.]

Question 14. Speeches: Provide the Committee with two copies of any formal speeches you have delivered during the last five years which you have written

copies of and which are on topics relevant to the position for which you have been nominated.

Answer. [Retained in committee files.]

Question 15. Selection:

A. Do you know why you were chosen for this nomination by the President?

B. What do you believe in your background or employment experience affirmatively qualifies you for this particular appointment?

Answer. I would assume I was chosen because of my loyalty to President Reagan, his principles and his programs. Secondly, my years of business experience and my ability to work with others, with effective action toward a common goal, qualifies me for this appointment.

B. FINANCIAL DATA (RETAINED IN COMMITTEE FILES)

C. FUTURE EMPLOYMENT RELATIONSHIPS

Question 1. Will you sever all connections with your present employers, business firms, business associations or business organizations if you are confirmed by the Senate.

Answer. No.

Question 2. Do you have any plans, commitments or agreements to pursue outside employment with or without compensation, during your service with the government? If so explain.

Answer. Will continue as Chief Executive Officer for Northeastern, Incorporated and Decision Systems, Incorporated.

Question 3. Do you have any plans, commitments or agreements after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization?

Answer. Yes (see No. 2).

Question 4. Has anybody made a commitment to employ your services in any capacity after you leave government service?

Answer. No.

Question 5. If confirmed, do you expect to serve out your full term or until the next Presidential election, whichever is applicable?

Answer. Yes.

D. POTENTIAL CONFLICTS OF INTEREST

Question 1. Describe all financial arrangements, deferred compensation agreements and other continuing dealings with business associates, clients or customers.

Answer. Will continue as Chief Executive Officer for Northeastern, Inc. and Decision Systems, Inc. Do not view as conflicting.

Question 2. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

Answer. None.

Question 3. Describe any business relationships, dealing or financial transaction which you have had during the last ten years, whether for yourself, or behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

Answer. None.

Question 4. Describe any activity during the past ten years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation or affecting the administration and execution of law or public policy.

Answer. None.

Question 5. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Please provide a copy of any trust or other agreements.)

Answer. Not applicable.

Question 6. Do you agree to have written opinions provided to the Committee by the General Counsel of the agency to which you are nominated and by the Attorney General's Office concerning potential conflicts of interest or any other legal barriers to your serving in this position?

Answer. Yes, if warranted.

E. LEGAL MATTERS

Question 1. Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

Answer. No.

Question 2. Have you ever been investigated, arrested, or charged or held by any federal, state or other law enforcement authority or violation of any federal, state, county or municipal law, regulation or ordinance, other than a minor traffic offense? If so, provide details.

Answer. No.

Question 3. Have you or any business of which you are or were an officer ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

Answer. No.

Question 4. Have you ever been convinced (including pleas of guilty or nolo contendere) of any criminal violation other than a minor traffic offense?

Answer. No.

Question 5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

Answer. None.

RESPONSES TO PREHEARING QUESTIONS

I. NOMINATION PROCESS AND POTENTIAL CONFLICTS

Question 1. Were any conditions, expressed or implied, attached to your nomination to be a Governor of the United States Postal Service?

Answer. No.

Question 2. What commitments have you made with respect to the policies and programs you will attempt to implement as a Member of the Board of Governors?

Answer. None.

Question 3. Are there any issues involving the Postal Service from which you may have to disqualify yourself? If so, please explain.

Answer. No.

Question 4. Did you actively seek this nomination? Explain.

Answer. No, I have not.

Question 5. What contribution do you feel you can make to the Postal Service as a Member of the Board of Governors?

Answer. In founding and being responsible for my company operation as the Chief Executive Officer, I have been well versed in organization, personnel considerations, marketing, planning and the costs involved to run a balanced program. The experience of directing and operating a diversified company efficiently gives a perspective transferable to any organization regardless of size.

II. RESPONSIBILITIES OF THE BOARD OF GOVERNORS

Question 1. What is your view of the role of the Board of Governors of the Postal Service? What do you believe are its most important functions and responsibilities?

Answer. It is my understanding from the Postal Reorganization Act of 1970 that the Board of Governors is to function in active oversight capacity, reviewing policy, practices, and finances of the United States Postal Service, contributing to the decision making process concerning those matters, in order to ensure that the United States Postal Service does, in fact, operate in a business-like manner as required by mandate. Further, I see a major responsibility of the Governors to the balancing of these sound business principles with the responsibility to serve the general public efficiently and promptly. The role of the Governors in selecting the Postmaster General is important in order that there be a Chief Executive Officer who can direct the United States Postal Service properly on a day-to-day basis.

Question 2. How do you view the relationship of the Board of Governors to the Postal Service and, specifically, to the Postmaster General?

Answer. The Governors should direct the Service, through the person of the Postmaster General, in providing the necessary services to the public according to sound business practices. In this sense, the Governors direct the activities within statutory limits, through the Postmaster General as the Chief Executive Officer who can achieve the established goals. Accordingly, the Governors rely upon the Postmaster General and themselves to present ideas for better service or management and deliberate the consequences to the public of such changes or propositions. While this implies a sharing in decision making, it is clear that the Postmaster General serves at the pleasure of the Governors and they are ultimately responsible for the conduct of this important and critical public service.

Question 3. How do you view the relationship and responsibilities of the Board of Governors to the President, the public and the Congress?

Answer. I see the relationship of the Board of Governors as part of the Executive Branch of the government with its responsibility to the public through the Congress.

III. POSTAL REORGANIZATION

Question 1. Various proposals have been made to increase the accountability of the Postal Service to the Congress including Presidential appointment of the Postmaster General or the Chairman of the Board of Governors. How do you feel about these proposals?

Answer. I agree with the concept of the Board of Governors accountability to the public, most properly exercised through the Congress. I do not, however, see how presidential appointment of the Postmaster General or the Chairman of the Board of Governors, with the possibility of frequent turnover, can improve accountability. Continuity and directing long range planning is vital to an establishment the size of the United States Postal Service.

Question 2. The Postal Rate Commission is a unique regulatory agency in that it does not have final decision making responsibility with respect to most matters brought before it. As you know, this responsibility rests with the Board of Governors of the Postal Service. Do you believe that this arrangement should be maintained? If so, why?

Answer. In my reading, I have seen this situation presented, with comments ranging from abolishing the Postal Rate Commission and using an Administrative Law Procedure, to giving the Postal Rate Commission final authority. Until recently, the present process has appeared to function well. At this time, without a working understanding, a final judgment would be premature.

Question 3. Would you recommend any changes in the role and responsibilities of either the Postal Rate Commission or the Board of Governors?

Answer. Although I will always be alert to improvements for the management of the Postal Service matters, there are no recommendations or changes I would suggest at this time.

IV. POSTAL SERVICE OPERATIONS

Question 1. To what extent do you view the Postal Service as a public service appropriately financed out of the United States Treasury?

Answer. Traditionally, Congress has considered the providing of postal service as a public service and consequently appropriated funding. Agreeing with the Kappel Report and the intent of the Reorganization Act (as evidenced in provisions for a declining subsidy and a phasing of revenue foregone payments), I believe that the United States Postal Service has the capacity to be a public service without relying on Congressional appropriations and without imposing an unjust burden upon its users through strong operation management and broad efficiency measures.

V. RELATIONS WITH CONGRESS

Question 1. What suggestions do you have for strengthening the relationship of the Board of Governors to the Congress. Do you believe that this is necessary?

Answer. I believe there must exist a strong relationship between the Governors and the Congress, for it is Congress which has greater access to the larger public and its concerns. Presently, I have no suggestions for a procedure to increase the strength of this proper and necessary relationship, other than to say I welcome a working relationship with Congress.

Question 2. Do you agree without reservation to respond to any reasonable request or summons to appear and testify before any duly constituted Committee of the Congress?

Answer. I do, without any reservation whatsoever.

Chairman ROTH. Mr. Voss, our committee rule requires that witnesses at nomination hearings give their testimony under oath.

Please stand and raise your right hand.

Do you solemnly swear to tell the truth, the whole truth, and nothing but the truth, so help you God?

TESTIMONY OF PETER E. VOSS, NOMINEE TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE U.S. POSTAL SERVICE

Mr. Voss. I do, so help me God.

Chairman ROTH. Please be seated.

As I have already indicated, members of this committee have already asked some substantive prehearing questions and your responses have been placed in the record. I will not repeat these questions, but I do have a few additional questions.

Is there anything you are aware of in your background which may present a conflict of interest with the duties of the office to which you have been nominated?

Mr. Voss. No, sir, there is not.

Chairman ROTH. Is there any issue presently under consideration by the Board of Governors of the Postal Service or any which may come under consideration from which you would have to disqualify yourself?

Mr. Voss. Not knowing all the issues that may be facing the Board at this particular time, not having been a member of that body, I would be unaware of any. There is none that I know of.

Chairman ROTH. Do you know of any reason, personal or otherwise, that would in any way prevent you from fully and honorably discharging the responsibilities of a member of the Board of Governors of the U.S. Postal Service?

Mr. Voss. No, sir, there is not.

Chairman ROTH. Do you agree without reservation to respond to any reasonable summons to appear and testify before any duly constituted committee of the Congress if you are confirmed?

Mr. Voss. I do without any reservation whatsoever.

Chairman ROTH. Why do you feel that you are particularly well qualified to be on the Board of Governors of the Postal Service?

Mr. Voss. I don't think that as an individual that it is just me that would be well qualified for this particular slot. I think there are many men in industry, many men in business, many men who have served in organizational capacities that would have the same qualifications that I have.

My particular qualifications would be those of a person who has spent a lifetime in organizational functions, have been active in starting businesses and making sure those businesses operate properly on a day-to-day basis with the mundane profit and loss problems constantly facing them.

I think that organizational ability is transferrable. Admittedly, the U.S. Postal Service is a large complex organization, but I do think that perspectives from the type of background that I have can be effectively applied within Government.

Chairman ROTH. Mr. Voss, you were asked to fill out a form detailing financial information. Are you certain that you have fully and completely answered all of those questions?

Mr. Voss. I feel certain, yes, sir.

Chairman ROTH. I have no more questions at this time. Again, I congratulate you. I think that this is an extremely important position that you will be assuming. Since the Post Office is the only contact much of the public has with Government, the efficiency with which the Post Office runs determines the level of confidence that a lot of people have in whether or not Government can operate efficiently and effectively. So I wish you well.

Mr. VOSS. Thank you. I am honored to have been considered for this nomination and I am honored to have appeared here today.

Chairman ROTH. Thank you.

The committee is in recess.

[Whereupon, at 1:13 p.m., the committee recessed, to reconvene, subject to the call of the Chair.]

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